LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **AUGUST 29, 2006**, upon the application of **KCS RESOURCES, INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation**, **Reservoir A**, and the **Cotton Valley Formation**, **Reservoir A**, in the Caspiana Field, DeSoto Parish, Louisiana.

- 1. To authorize KCS Resources, Inc. to drill, complete and utilize two additional alternate unit wells on each of HOSS RA SUU and CV RA SUU, at the locations in Section 35, Township 15 North, Range 13 West, as shown on the plats submitted with the application.
- 2. To approve the proposed alternate unit wells as exceptions, as necessary, to the well location provisions of Office of Conservation Order No. 191-B, as to the Hosston Formation, Reservoir A, and Office of Conservation Order No. 191-A, as to the Cotton Valley Formation, Reservoir A.
- 3. To find that each of the proposed alternate unit wells is necessary to efficiently and effectively drain a portion of the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, underlying the respective units which cannot be efficiently and effectively drained by any other well.
- 4. To authorize the unit allowable for these Hosston Formation, Reservoir A and Cotton Valley Formation, Reservoir A, units to be recovered from any of the wells located on the units, at the discretion of the operator.
- 5. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, was defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

The Cotton Valley Formation, Reservoir A, was defined in Office of Conservation Order No. 191-A, effective February 15, 1975, and was further defined in Office of Conservation Order No. 191-A-5, effective February 22, 1983.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA

8/15/06;8/18/06

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.